




JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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February 12, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: John Naimo 
Auditor-Controller

SUBJECT: **QUARTERLY REPORT ON IMPACT OF HEALTH CARE REFORM ON
COUNTY CASH FLOWS (Board Agenda Item 36-A, June 25, 2013)**

On June 25, 2013, your Board instructed the Auditor-Controller to report quarterly on the impact of health care reform on the County's cash flows and the Department of Health Services' (DHS) financial performance. This report is for the quarter ended December 31, 2015.

We continue to closely monitor General Fund cash advances to the Hospital Funds. As of December 31, 2015, such advances were \$543 million. By comparison, the cash advances of a year ago (December 31, 2014) were \$1.065 billion. There is improvement in year-over-year hospital cash flow requirements, as Fiscal Year 2015-16 cash advances continue to trend downward.

We are working with DHS to estimate the timing and amount of cash flows associated with the 1115 waiver renewal. If you have any questions, please contact me, or your staff may call Connie Yee at (213) 974-8321.

JN:ilm

c: Sachi A. Hamai, Chief Executive Officer
Patrick Ogawa, Acting Executive Officer, Board of Supervisors
Mitchell H. Katz, M.D., Director, Department of Health Services
Joseph Kelly, Treasurer and Tax Collector
Audit Committee
Public Information Office